

# House Education Committee Amendment No. 2

Amendment No. 5 to HB0653

Winningham  
Signature of Sponsor

**FILED**

Date \_\_\_\_\_

Time \_\_\_\_\_

Clerk \_\_\_\_\_

Comm. Amdt. \_\_\_\_\_

**AMEND Senate Bill No. 611\***

**House Bill No. 653**

By deleting Section 2 of the bill as amended in its entirety and by substituting instead the following language:

SECTION 2. Tennessee Code Annotated, Section 49-4-902, is amended by adding the following language as new, appropriately designated subdivisions:

( ) "Academic requirement" means a requirement of a specified grade point average, ACT or SAT score or cumulative grade point average that determines either initial or continuing eligibility for postsecondary financial assistance from net lottery proceeds;

( ) "Cost of attendance" means the combined cost of tuition, mandatory fees, room and board, books and other educational expenses as determined by the financial aid office of the eligible postsecondary institution;

( ) "Gift aid" means scholarships and grants from any source that do not require repayment, including funds provided through the federal Foster Care Independence Act of 1999 and other similar programs. Student loans and work-study awards shall not be considered gift aid;

( ) "Nonacademic requirement" means any scholarship eligibility requirement other than an academic requirement;

SECTION 3. Tennessee Code Annotated, Section 49-4-911, is amended by deleting the section in its entirety and by substituting instead the following:

(a) To continue to receive a Tennessee HOPE scholarship, a student at an eligible postsecondary institution shall continue to meet all applicable requirements for the scholarship and shall reapply for the scholarship each academic year. At the end of each academic year, prior to the student receiving

a baccalaureate degree or reaching the maximum number years for which a scholarship shall be funded under § 49-4-913, the student shall have achieved a cumulative grade point average of at least 2.75 to continue to receive the Tennessee HOPE scholarship.

(b) A student receiving a Tennessee HOPE scholarship, who ceases to be academically eligible for the scholarship because the student fails to achieve the cumulative grade point average required at the end of an academic year may regain the HOPE scholarship, if the student continues to meet all applicable nonacademic requirements for the scholarship, attends an eligible postsecondary institution without the HOPE scholarship, achieves the required cumulative grade point average at the end of any semester, and reapplies for the scholarship. A student who regains the scholarship and then loses the scholarship a second time, by failing to achieve the required cumulative grade point average at the end of any academic year, may not regain the scholarship. No retroactive award of a Tennessee HOPE scholarship shall be made under this subsection (b) for semester hours attempted in order to regain the scholarship.

(c) If a student ceases to be eligible for postsecondary financial assistance from net lottery proceeds at any time, for any reason other than failure to maintain the required cumulative grade point average, then the student shall not be able to regain a Tennessee HOPE scholarship.

(d) Notwithstanding the provisions of subsection (a) and § 49-4-902 to the contrary, a student may choose to repeat one (1) course one (1) time, and have such student's cumulative grade point average, for the purposes of determining whether the student meets the continuation requirements of subsection (a), calculated as if the only attempt at the course was the attempt in which the highest grade was achieved. Only one (1) course may be repeated for favorable treatment in calculating the grade point average under this subsection (d). TSAC shall promulgate rules and regulations to effectuate the purposes of

this subsection (d). All such rules and regulations shall be promulgated in accordance with the provisions of the Uniform Administrative Procedures Act, compiled in title 4, chapter 5.

SECTION 4. Tennessee Code Annotated, Section 49-4-909(a)(5), is amended by deleting the language "for the total number of semester hours that the student has attempted at any postsecondary institution".

SECTION 5. Tennessee Code Annotated, Section 49-4-916(e), is amended by deleting the word "semester" in the first sentence of the subsection and by substituting instead the words "academic year".

SECTION 6. Tennessee Code Annotated, Section 49-4-920(b), is amended by deleting the first sentence of subdivision (1) and by substituting instead the following:

A Tennessee HOPE access grant shall be awarded to an eligible student only until the end of the semester in which the student has completed the first academic year.

SECTION 7. Tennessee Code Annotated, Section 49-4-920(e), is amended by deleting the subsection in its entirety and by substituting instead the following:

(e)

(1) TSAC shall review a student's eligibility at the end of the first academic year of enrollment. If a student receiving a Tennessee HOPE access grant has achieved the cumulative grade point required under §49-4-911 at the end of the first academic year of enrollment, then the student shall be eligible for a Tennessee HOPE scholarship. If the student meets the requirements of § 49-4-915(a)(2), the student shall be eligible for an ASPIRE award.

(2) If a student receiving a Tennessee HOPE access grant does not achieve the cumulative grade point average required under §49-4-911 at the end of the first academic year of enrollment, but the student, without financial assistance from lottery proceeds, continues to attend an

eligible postsecondary institution and achieves the cumulative grade point average required under § 49-4-911 at the end of another academic year, then the student shall be eligible for a Tennessee HOPE scholarship, if the student meets all other applicable requirements. If, at such time, the student meets the requirements of § 49-4-915(a)(2), the student shall be eligible for an ASPIRE award.

SECTION 8. Tennessee Code Annotated, Section 49-4-929, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) If the student transfers to an eligible postsecondary institution, then the student shall have the cumulative grade point average required under § 49-4-911 at the time of transfer to be eligible academically for the Tennessee HOPE scholarship.

SECTION 9. Tennessee Code Annotated, Section 49-4-937(c), is amended by deleting the subsection in its entirety and by substituting instead the following:

(c) Enrollment at a Tennessee technology center by a student working towards a diploma before receiving a Tennessee HOPE scholarship, General Assembly Merit Scholarship, or Tennessee HOPE access grant under the provisions of this section shall not count under the provisions of § 49-4-913 or § 49-4-920 towards the limitation on receipt on a Tennessee HOPE scholarship, General Assembly Merit Scholarship, or Tennessee HOPE access grant.

SECTION 10. Tennessee Code Annotated, Section 49-4-913, is amended by deleting the section in its entirety and by substituting instead the following:

§ 49-4-913. Except as set forth in §§ 49-4-919, 49-4-930, 49-4-931 and 49-4-937, a student may receive a Tennessee HOPE scholarship until the first of the following events:

(1) The student has earned a baccalaureate degree; or

(2) Five (5) years have passed from the date of the student's initial enrollment at any postsecondary institution.

SECTION 11. Tennessee Code Annotated, Section 49-4-919(a), is amended by deleting subdivision (2) in its entirety.

SECTION 12. Tennessee Code Annotated, Section 49-4-920(f), is amended by deleting subdivision (2) in its entirety

SECTION 13. Tennessee Code Annotated, Section 49-4-930, is amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) Semester hours attempted under a dual enrollment grant shall not count, under § 49-4-913, toward the limitation on the receipt of a Tennessee HOPE scholarship.

SECTION 14. Tennessee Code Annotated, Section 49-4-930, is amended by adding the following language at the end of subsection (b):

A student may receive a dual enrollment grant for no more than six (6) courses. Such courses shall be taken during the junior and senior years of high school.

SECTION 15. Tennessee Code Annotated, Section 49-4-930, is amended by adding the following language as a new, appropriately designated subsection thereto:

( )

(1) There is created a pilot project to assist students, who are juniors and seniors in high school and who are eligible for dual enrollment grants under this section, in enrolling in dual enrollment courses that require a computer to facilitate the offering of such course or as necessary equipment for such course. THEC shall develop and administer the pilot project in consultation with the department of education.

(2) The pilot program shall commence no later than August 1, 2008, shall be for a period of twelve (12) months, and shall provide laptop computers for students in two (2) schools in each grand division of the state.

(3) The cost of the laptops to be purchased for the pilot program shall not exceed five hundred dollars (\$500) each.

(4) THEC shall develop and issue a request for proposal for the computers for the project that includes specifications for wireless technology in order that students in any school chosen for the pilot project, including rural schools, have the ability to access fully the dual enrollment courses as required by the course or the course content. The request for proposal shall also address insurance of the computers against theft, loss or destruction.

(5) The pilot project, including the administrative costs of THEC or the department of education, shall be funded from net lottery proceeds.

(6) The pilot project shall distribute computers in the 2008-2009 school year.

(7) THEC, in consultation with the department of education, shall evaluate the pilot project and shall issue a preliminary report to the education committees of the senate and the house of representatives by February 15, 2009, and thereafter shall issue a full report detailing its findings and conclusions to the education committees of the senate and the house of representatives by September 1, 2009.

SECTION 16. Tennessee Code Annotated, Section 49-4-902, is amended by deleting subdivision (22) in its entirety and substituting instead the following:

(22) "Nontraditional student" means a student who is at least twenty-three (23) years of age, who has not previously been a recipient of a Tennessee HOPE scholarship and who enrolls in an eligible postsecondary institution:

(A) As an entering freshman; or

(B) At least two (2) years after last attending any eligible postsecondary institution or a regionally accredited postsecondary institution located outside of Tennessee;

SECTION 17. Tennessee Code Annotated, Section 49-4-931(a), is amended by deleting subdivision (4) in its entirety and by substituting instead the following:

(4) Attend an eligible postsecondary institution and attempt at least twelve (12) semester hours;

SECTION 18. Tennessee Code Annotated, Section 49-4-931(a), is further amended by deleting subdivision (6) and substituting instead the following:

(6) Maintain continuous enrollment at the eligible postsecondary institution attended after entering such institution as a nontraditional student; and

SECTION 19. Tennessee Code Annotated, Section 49-4-931, is amended by deleting subsection (b) in its entirety and by substituting instead the following:

(b) A nontraditional student shall be eligible for a Tennessee HOPE scholarship at the end of the semester in which the student has attempted twelve (12) semester hours, if the student has a cumulative grade point average of at least 2.75. A nontraditional student who does not achieve the cumulative grade point average of at least 2.75 at the end of the semester in which the student has attempted twelve (12) semester hours shall be eligible for a Tennessee HOPE scholarship, if the student achieves the cumulative grade point average required under § 49-4-911 at the end of any subsequent academic year.

SECTION 20. Tennessee Code Annotated, Section 49-4-931, is further amended by deleting subsection (c) in its entirety and substituting instead the following sentence:

(c)

(1) To continue to receive a Tennessee HOPE scholarship, such student shall meet the requirements of § 49-4-911, except that only semester hours attempted as a nontraditional student shall be used in computing the cumulative grade point average to determine whether a student continues to be eligible to receive a scholarship.

(2) A HOPE scholarship awarded under this section shall be subject to the provisions of § 49-4-913, except that only enrollment as a nontraditional student shall be used in determining whether a student continues to be eligible to receive the scholarship.

SECTION 21. Tennessee Code Annotated, Section 49-4-933, is amended by deleting subsection (f) in its entirety and substituting instead the following:

(f) The Tennessee HOPE foster child tuition grant shall be the cost of attendance less any gift aid, with the total HOPE foster child tuition grant amount not to exceed the cost of tuition and mandatory fees at the eligible postsecondary institution attended. Additionally, at an eligible independent postsecondary institution, the Tennessee HOPE foster child tuition grant shall not exceed the statewide average public tuition and mandatory fee rate for the type of institution (two-year or four-year) attended.

SECTION 22. Tennessee Code Annotated, Section 49-4-933, is further amended by deleting subsection (c) in its entirety and by substituting instead the following:

(c) The student shall present TSAC with official certification from the department of children's services that the student meets the eligibility requirements of subsection (b) for the tuition grant.

SECTION 23. Tennessee Code Annotated, Section 49-4-933, is further amended by deleting subsection (e) in its entirety:

SECTION 24. Sections 21-23 of this act that amend § 49-4-933 are declared to be remedial in nature and to that end shall apply to all Tennessee HOPE foster child tuition grant awards made on or after July 1, 2006.

SECTION 25. Tennessee Code Annotated, Section 49-4-926, is amended by deleting the section in its entirety and substituting instead the following:

(a) Notwithstanding any provision of this part to the contrary, a student who is a Tennessee citizen and a dependent child of a military parent, shall be



eligible for a Tennessee HOPE scholarship as an entering freshman at any eligible postsecondary institution, if such student:

(1) Is not ineligible for the scholarship under § 49-4-904;

(2) Meets the requirements of:

(A) § 49-4-907(3), if the student graduated from:

(i) A school operated by the government of the United States;

(ii) A school that is accredited by a regional accrediting association; or

(iii) A school that is accredited by an accrediting association recognized by the foreign nation in which the school is located;

(B) § 49-4-908(2)(A), if the student graduated from a high school other than a school specified in subdivision (2)(A) or the student completed high school in a home school; or

(C) § 49-4-908(2)(B), if the student received a GED;

(3) Is admitted to and enrolls in an eligible postsecondary institution no later than sixteen (16) months after completion of high school or receipt of a GED;

(4) Qualifies to be classified as an in-state student under the rules of the Tennessee board of regents or the University of Tennessee system at time of enrollment in the eligible postsecondary institution; and

(5) Makes application for the scholarship.

(b) As used in this section:

(1) “Dependent child” means a natural or adopted child or stepchild whom a military parent claims as a dependent for federal income tax purposes; provided, however, that such child is under twenty-one (21) years of age, and resides in another state or nation only while

the military parent is engaged in active military service, on full-time national guard duty, or actively employed by the department of defense;

(2) "Military parent" means a parent of a dependent child who is:

(A) A member of the armed forces engaged in active military service of the United States and stationed on active duty outside of Tennessee;

(B) A member of the Tennessee national guard engaged in active military service of the United States and stationed on active duty outside of Tennessee; or

(C) A full-time civilian employee of the department of defense working outside of Tennessee; and

(3) "Tennessee national guard" means any federally recognized unit of the Tennessee army and air national guard.

SECTION 26. A student may apply for the retroactive award of a Tennessee HOPE scholarship for any semester of the 2004-2005, 2005-2006, 2006-2007, or 2007-2008 academic years in which the student would have qualified for a scholarship had the provisions of Section 25 of this act been in effect during such academic year. TSAC shall award the scholarship retroactively, if the student meets all applicable requirements for the scholarship.

SECTION 27. Tennessee Code Annotated, Section 49-4-902, is amended by deleting in existing subdivision (20), which is the definition of "home school student", the language "two (2) years" in the second sentence and by substituting instead the language "one (1) year".

SECTION 28. Tennessee Code Annotated, Section 49-4-908, is amended by deleting subdivision (2) and by substituting instead the following:

(2)

(A) Attain a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 980 on any single SAT test date, if

such student graduated from a high school located in Tennessee that is not an eligible high school;

(B)

(i) Attain a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 21 on any single SAT test date, if such student completed high school in a Tennessee home school program and was a student in a Tennessee home school program for two (2) or more years immediately preceding completion of high school; or

(ii) Attain a composite ACT score of at least 25 on any single ACT test date or a comparable combine SAT score as determined by TSAC on any single SAT test date, if such student completed high school in a Tennessee home school program and was a student in a Tennessee home school program for less than two (2) years immediately preceding completion of high school; or

(C) Pass the GED tests with an average score of at least 525 and attain a composite ACT score of at least 21 on any single ACT test date or a combined SAT score of at least 980 on any single SAT test date, if such student obtained a GED; and

SECTION 29. Tennessee Code Annotated, Section 49-4-914, is amended by adding the following language as a new, appropriately designated subsection:

( ) Notwithstanding the provisions of subsection (b) to the contrary, beginning with the 2008-2009 academic year and for academic years thereafter, the amount of a Tennessee HOPE scholarship awarded to a student attending an eligible two-year postsecondary institution which provides on-campus housing shall be the same as the amount of a Tennessee HOPE scholarship awarded to students attending eligible four-year postsecondary institutions.

SECTION 30. Tennessee Code Annotated, Section 49-4-934(a), is amended by deleting subdivisions (1) and (2) in their entireties and by substituting instead the following:

(1) Graduate from a high school in the foreign nation where the student's parent is a religious worker and, if the high school is:

(A) Accredited by a regional accrediting association, meet the academic eligibility requirements of § 49-4-907(3); or

(B) Not accredited by a regional accrediting association, meet the academic eligibility requirements of § 49-4-908(2)(A); or

(2) Complete high school in a home school in the foreign nation where the student's parent is a religious worker and meet the academic eligibility requirements of § 49-4-908(2)(B).

SECTION 31. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section:

§ 49-4-9\_\_.

(a) The section shall be known and may be cited as the "Helping Heroes Act of 2008".

(b) As used in this section, unless the context otherwise requires:

(1) "Veteran" means a former member of the armed forces of the United States, or a former member of a reserve or Tennessee national guard unit who was called into active military service of the United States, as defined in § 58-1-102; and

(2) "Successful completion of a course" means that the student received a non-failing grade as the final grade for the course.

(c) To be eligible for a Helping Heroes Grant, a veteran shall:

(1) Have received an honorable discharge;

(2) Have been a Tennessee resident, as defined by regulations promulgated by the board of regents under § 49-8-104, for one (1) year immediately preceding the date of application for a Helping Heroes Grant;

(3) Have been awarded:

(i) The Iraq Campaign Medal;

(ii) The Afghanistan Campaign Medal; or

(iii) On or after September 11, 2001, the Global War on Terrorism Expeditionary Medal;

(4) Not be ineligible for a grant under § 49-4-904;

(5) Be admitted to and enroll in an eligible postsecondary institution seeking an associate or baccalaureate degree;

(6) Have not received a baccalaureate degree; and

(7) Make application for a Helping Heroes Grant for any semester in which the veteran successfully completes six (6) or more semester hours.

(d) A veteran who qualifies for a Helping Heroes Grant under this section shall not be required to meet any academic standard at the time of enrollment in an eligible postsecondary institution to be eligible to receive the grant.

(e) Award of a Helping Heroes Grant shall be made after the completion of a semester. If a student successfully completes twelve (12) or more semester hours, then the student shall receive the full amount of the grant as provided in subsection (f). If a student successfully completes six (6) to eleven (11) semester hours, then the student shall receive one-half ( $\frac{1}{2}$ ) of the full grant. A student successfully completing fewer than six (6) semester hours in a semester shall not be eligible for the grant for that semester, but may subsequently be eligible for the grant in a semester in which the student successfully completes at least six (6) semester hours; provided, that the student meets all other eligibility requirements during that semester.

(f) Subject to the amounts appropriated by the general assembly and any provision of law relating to a shortfall in funds available for postsecondary financial assistance from the net proceeds of the state lottery, a Helping Heroes Grant awarded to a student shall be one thousand dollars (\$1,000) per semester for any semester during the 2008-2009 academic year in which the student successfully completes twelve (12) or more semester hours. For academic years subsequent to the 2008-2009 academic year, the amount of such grant shall be determined in accordance with § 4-51-111 and shall be set in the general appropriations act.

(g) A student may receive a Helping Heroes Grant for a maximum of eight (8) semesters. In calculating the total number of semesters a student may receive a Helping Heroes Grant, semesters for which a student receives a Helping Heroes Grant and in which the student successfully completes six (6) to eleven (11) semester hours shall count as one-half ( $\frac{1}{2}$ ) semester in the total.

(h) A veteran shall be eligible for a Helping Heroes Grant for any semester for which the veteran meets all qualifications for the grant and which commences prior to the eighth anniversary of the veteran's honorable discharge from military service.

(i) A Helping Heroes Grant shall be awarded in addition to any other financial aid for which the recipient veteran qualifies.

(j) Helping Heroes Grants shall not be awarded for any semester prior to fall semester 2008.

(k) Notwithstanding the provisions of § 49-4-903 to the contrary, TSAC shall award Helping Heroes Grants each year on a first come, first served basis to no more than three hundred seventy-five (375) eligible students.

(l) The comptroller of the treasury, through the comptroller's office of education accountability, shall review and study the Tennessee Helping Heroes scholarship program to determine the effectiveness of the program in educating

veterans. Such study shall be done in the fifth year of the program and every four (4) years thereafter. The comptroller shall report the findings and conclusions of the study to the speakers of the senate and house of representatives and the chairs of the education committees of the senate and the house of representatives.

SECTION 32. Tennessee Code Annotated, Title 49, Chapter 4, Part 9, is amended by adding the following language as a new, appropriately designated section:

§ 49-4-9 \_\_\_\_.

(a) There is established a scholarship program to provide eligible Tennessee students the opportunity to attend an accredited school of medicine, including allopathic and osteopathic medical schools, located in the state and to become certified practitioners rendering medical service in the state.

(b) The Tennessee student assistance corporation may award scholarships, to the extent funds are available for that purpose, to persons who declare an intent to become physicians and practice in the state and who are eligible under subsection (c) of this section.

(c) The corporation may award scholarships to students who meet the following criteria:

(1) Students who are United States and Tennessee citizens and Tennessee residents as defined by regulations promulgated by the board of regents or the University of Tennessee system;

(2) Students who are enrolled or accepted for enrollment in a public or private school of medicine providing an eligible program of study accredited by the Liaison Committee on Medical Education, or its successor, or in a public or private school of medicine providing an eligible program of study accredited by the Bureau of Professional Education of the American Osteopathy Association or its successor, on a full-time basis, or eligible students who have a disability defined by Title II

of the Americans with Disabilities Act, 42 U.S.C. §12131 et seq., certified by a licensed physician to be unable to attend the eligible program of study full-time because of the disability;

(3) Students who agree to render one (1) year of qualified service in a health resource shortage area in the state for each year the scholarship was awarded after becoming a Tennessee licensed physician or osteopathic physician. "Qualified service" means a full-time practice in the state of Tennessee as a licensed physician practicing allopathic or osteopathic medicine for a majority of the calendar year in the fields of family practice, general practice, general internal medicine, general pediatrics, general obstetrics, or gynecology, except that an individual having a disability defined by Title II of the Americans with Disabilities Act, 42 U.S.C. § 12131 et seq., whose disability, certified by another licensed physician, prevents such individual from practicing full-time, shall be deemed to perform qualified service by practicing the maximum time permitted by the attending physician; and

(4) Students who sign a promissory note as evidence of the scholarship awarded and the obligation to repay the scholarship amount or render medical service as agreed in lieu of payment.

(d) The amount of the scholarship awarded by the corporation to an eligible student attending an eligible school of medicine, whether public or private, shall not exceed twelve thousand dollars (\$12,000) per academic year.

(e) The corporation shall require a promissory note to be executed by the student as evidence of the obligation. The recipient shall render one (1) year of qualified service for each year the scholarship was awarded. Upon completion of each year of qualified service, the corporation shall cancel the appropriate number of promissory notes. Promissory notes shall be canceled by qualified service in the order in which the promissory notes were executed. Qualified



service credit shall not include residency service. In the event a recipient fails to complete an eligible program of study, or fails to render qualified medical service in a health resource area as a licensed physician as agreed in subsection (c) of this section, the recipient shall be liable for the total repayment of the sum of all outstanding promissory notes and accrued interest.

(f) A scholarship shall not be awarded or a promissory note cancellation shall not be granted to any person who is in default on any obligation to the corporation under any program administered by the corporation pursuant to title 49, chapter 4, until financial obligations to the corporation are satisfied, except that ineligibility for this reason may be waived by the corporation for cause.

(g) A repayment obligation imposed by this section shall not be voidable by reason of the age of the recipient at the time of executing the promissory note.

(h) Failure to meet repayment obligations imposed by this section shall be cause for the revocation of the scholarship recipient's license to practice medicine, subject to the procedures of § 4-5-320.

(i) Notwithstanding any other statute to the contrary, the maximum interest rate applicable to repayment of a promissory note under this section shall be twelve percent (12%) per annum, except that if a judgment is rendered to recover payment, the judgment shall bear interest at the rate of five percent (5%) greater than the rate actually charged on the promissory note.

(j) No more than five (5) scholarships in any academic class shall be available at each eligible school of medicine under this section and no more than twenty-five (25) such scholarships in any academic class shall be available statewide beginning with the academic class entering medical school in 2008-2009. Such scholarships shall be awarded equally, to the extent possible, to eligible students among eligible schools of medicine located in the state; provided, however, if fewer than five (5) scholarships are awarded in an academic class at an eligible school of medicine in a given academic year, then

any such unawarded scholarship may be awarded to an eligible student at another eligible school of medicine, subject to rules and regulations promulgated by the corporation.

(k) The Tennessee student assistance corporation, in conjunction with the Tennessee board of medical examiners and board of osteopathic examination, is authorized to promulgate rules and regulations for the management and administration of the program, including the execution of appropriate contracts and promissory notes, the terms of promissory notes, cancellation of the obligation, the rate of repayment and deferment of repayment of outstanding debt, the selection of recipients, considering such factors as the academic record of the applicant, and the priority of awarding scholarships if funds are insufficient to award the maximum number of scholarships as permitted under subsection (j).

(l) This program shall be available for participants beginning July 1, 2008, after rules have been promulgated. The Tennessee student assistance corporation is authorized to use public necessity rulemaking in accordance with Section 4-5-209(a)(4) as appropriate.

(m) The medical scholarship program provided for in this section and costs incurred by the Tennessee student assistance corporation in administering such program shall be funded in the general appropriations act from net lottery proceeds in an amount not to exceed three hundred thousand dollars (\$300,000) in recurring funds per academic class or one million two hundred thousand dollars (\$1,200,000) per academic year in recurring funds in the fourth year of the program's operation and thereafter.

(n) As used in this section, "health resource shortage area" means an area determined as a health resource shortage area by the department of health, office of rural health.

SECTION 33. Subject to appropriation by the general assembly, it is the legislative intent that ten million dollars (\$10,000,000) from the lottery for education account may be used to supplement student assistance awards each year.

SECTION 34. Tennessee Code Annotated, Section 49-4-903(b), is amended by adding the following language at the end of the subsection:

For the annual report due by January 13, 2009, THEC shall make a detailed evaluation of the Wilder-Naifeh technical skills grant, including the value of the grant to the state in retraining workers who have lost their jobs to qualify for new, higher paying jobs. THEC shall also evaluate the capacity of the Tennessee Technology Centers and projected net lottery proceeds and make recommendations whether expansion of the grant to enable more Tennessee citizens to attend Tennessee Technology Centers is feasible.

SECTION 35. THEC, in consultation with the department of education, is authorized to promulgate rules and regulations to effectuate the purposes of this act. All such rules and regulations shall be promulgated in accordance with the provisions of Tennessee Code Annotated, Title 4, Chapter 5.

SECTION 36. The provisions of this act shall not be construed to be an appropriation of funds and no funds shall be obligated or expended pursuant to this act unless such funds are specifically appropriated by the general appropriations act.

SECTION 37. If any provision of this act or the application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to that end the provisions of this act are declared to be severable.

SECTION 38. Sections 3 through 9 of this act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to students seeking Tennessee HOPE scholarships for the 2008-2009 academic year whose eligibility was reviewed at the end of the 2007-2008 academic year according to § 49-4-911 and who achieved a cumulative grade point average of at least 2.75, and to all students seeking Tennessee

HOPE scholarships in academic years thereafter. Sections 10 through 20, 27, 28 and 30 of this act shall take effect upon becoming a law, the public welfare requiring it, and shall apply to students seeking postsecondary financial assistance from net lottery proceeds for the 2008-2009 academic year and academic years thereafter. All remaining sections of this act shall take effect upon becoming a law, the public welfare requiring it.